Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Weekly Cattle Market Update

For the Week Ending January 26, 2018

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)								
Feeder Steers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800-900**	**900+ lb.**
Jan. 26/2018	Average	**$249.30**	**$245.70**	**$225.08**	**$199.75**	**$185.33**	**$176.00**	**$170.75**
Jan. 26/2018	Range	**240-261**	**235-255**	**212-235**	**191-213**	**180-193**	**172-182**	**167-175**
week/week	Change	**$12.47**	**$11.20**	**$4.95**	**$1.12**	-$0.42	-$1.67	**N/A**
Jan. 19/2018	Average	**$236.83**	**$234.50**	**$220.13**	**$198.63**	**$185.75**	**$177.67**	**N/A**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Jan. 26/2018	Average	**$207.50**	**$204.42**	**$191.13**	**$177.71**	**$168.08**	**$161.88**	
Jan. 26/2018	Range	**202-219**	**193-216**	**181-201**	**170-186**	**161-177**	**159-166**	
week/week	Change	-$1.00	**$4.54**	**$4.46**	**$2.21**	-$0.59	-$3.00	
Jan. 19/2018	Average	**$208.50**	**$199.88**	**$186.67**	**$175.50**	**$168.67**	**$164.88**	

Source: Canadian data is provide by CanFax and cannot be redistributed without Canfax consent (www.canfax.ca).
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data.

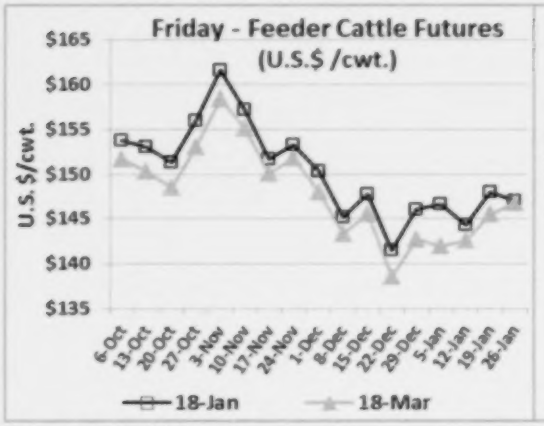
Canfax reported that a total of 20,493 head of cattle were sold in Saskatchewan this week, up from 10,414 head the previous week, and up from 17,001 head the same week a year ago.

Saskatchewan feeder steer prices were mixed but overall higher in most reported weight categories over the week. Saskatchewan feeder steer prices ranged between $1.67 per cwt lower and $12.47 per cwt higher over the week. The largest price decline was in the 800-900 lb. feeder steer weight category; while the biggest price gains in the 300-400 lb. weight category. On average, feeder steer prices increased by $4.61 per cwt over the week.

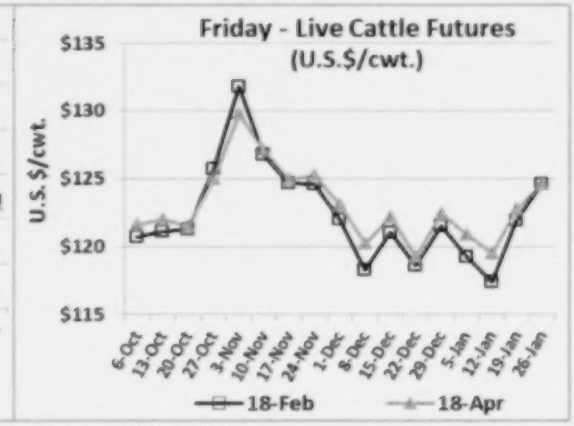
Saskatchewan feeder heifer prices were also mixed but on average higher in the weight categories over the week. Feeder heifer prices ranged between $3.00 per cwt lower and $4.54 per cwt higher. The largest price decline was in the 800+ lb. weight category, while the biggest gain was in the 400-500 lb. weight category. On average, feeder heifer prices increased by just over $1 per cwt over the week. Saskatchewan feeder cattle prices are provided by Canfax (#403-275-5110) or (www.canfax.ca) and cannot be redistributed without permission.

The Saskatchewan 750 lb. feeder steer basis compared to the January 25, 2018, U.S. feeder cattle index at US$147.06 per cwt was calculated at (+$4.13) per cwt ($185.33 - US$147.06/0.8116, a basis strengthening of $2.79 per cwt from the basis of (+$1.34) per cwt from January 18, 2018.

Feeder cattle daily futures prices were mixed over the week and ended the week overall mixed, week-over-week. The January feeder cattle contract declined US$0.890 per cwt over the week to expire Friday at US$147.060 per cwt; while the March 2018 feeder cattle futures contract increased US$1.125 per cwt over the week to settle Friday at US$146.725 per cwt.



Source: CME, LMIC



Source: CME, LMIC

Live daily cattle futures prices were primarily higher over the week with strong gains on Friday to push prices higher, week-over-week. The nearby February contract increased US$2.700 per cwt over the week to settle Friday at US$124.600 per cwt; while the April contract increased US$1.900 per cwt over the week to settle Friday at US$124.625 per cwt.

Fed and Non-fed Cattle

	January 26, 2018	January 19, 2018	Week Over Week
Steers (Alberta)			
Live	$163.35	$164.16	-$0.81
Rail	$271.75 to $273.00	$269.00 to $276.50	+$2.75 to -$3.50
Cows (Alberta)			
D1.2 Live	$89.92	$94.08	-$4.16
D3 Live	$79.92	$84.40	-$4.48
Rail	$173-178	$181-186	-$8.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. The price of D1,2 slaughter cows declined $4.16 per cwt to average $89.92 per cwt; while the price of D3 slaughter cows declined $4.48 per cwt to average $79.92 per cwt.

Fed cattle prices for Alberta fed steers averaged $163.35 per cwt over the week, a decline of $0.81 per cwt from $164.16 per cwt the previous week. Western Canadian slaughter cattle prices are provided by Canfax and cannot be redistributed without their permission. www.canfax.ca)

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$123.05 per cwt, up slightly (US$0.16 per cwt) US$122.89 per cwt the previous week; and up 1.5 per cent from US$121.22 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$194.00 per cwt, down US$0.89 per cwt or 0.5 per cent from US$194.89 per cwt the previous week, but up 0.3 per cent from US$193.46 per cwt the same week a year ago.

USDA released the latest U.S. cold storage numbers on January 24, 2018. The U.S. beef stocks in cold storage totaled 489.5 million lb. on December 31, 2017, up 0.9 per cent from 485.2 million lb. on November 30, 2017, but down 13.8 per cent from 567.9 million lb. on Dec. 31, 2016. U.S. beef stocks in cold storage at the end of December 2017 were above the monthly 12 year average for December, but below the monthly highs.

The *Cattle on Feed Report* was released on Friday January 26, by the United States Department of Agriculture (USDA), for the January 1 inventory numbers.

January 1, 2017 and 2018, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2016/17	2017/18	Per cent of previous year
On feed December 1	10,652,000	11,516,000	108.1
Placed during December	1,785,000	1,799,000	100.8
Marketed during December	1,777,000	1,752,000	98.6
Other disappearance during December	55,000	74,000	134.5
On feed January 1	10,605,000	11,489,000	108.3

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in December 2017 was 1.799 million head, up almost one per cent from 1.785 million head in December 2016, but down over 14 per cent from 2.099 million head placed in November 2017. The number of fed cattle marketed in December 2017 was 1.752 million head, down 1.4 per cent from 1.777 million head in December 2016, and down five per cent from 1.844 million head marketed in November 2017. The December 2017 cattle placements were 100.8 per cent of the December 2016 numbers which were almost four per cent higher than the average trade estimates (96.9 per cent). The cattle marketed in December 2017 were 98.6 per cent of the December 2016 numbers; which was slightly below the average trade estimates (98.8 per cent).

The USDA cattle on feed numbers for December 1, 2018 were 11.489 million head, 8.3 per cent above the January 2017 inventory numbers of 10.665 million head, but down slightly from the December 2017 numbers. The USDA year-over-year numbers were 108.3 per cent; about a half per cent than the average trade estimates (107.7 per cent).

The USDA numbers were close to trade estimates except the cattle placed in December which was almost four per cent higher than the average trade estimates.

U.S. Beef production for the week ending January 27, 2018 was estimated at 490.3 million lb., down 4.6 per cent from 514.0 million lb. the previous week, but up 3.3 per cent from 474.7 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 588,000 head, down 4.4 per cent from 615,000 head the previous week, but up 1.3 per cent from 581,000 head the same week a year ago.

U.S. choice beef cutout prices (600-900 lb.) averaged US$206.70 per cwt over the week, up US$0.81 per cwt or 0.4 per cent from US$205.89 per cwt the previous week, and up 7.6 per cent from US$192.09 per cwt the same week a year ago.

Friday Price Information

Product		This Week (Jan. 26, 2018)	Week of: (Jan. 19, 2018)	Week of: (Jan. 27, 2017)
Canadian Dollar (closing rate US$)		.8116	.8026	.7612
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		147.06	148.01	131.71
Seven-day Weighted Average FC Index Wt. (lb.)		790	788	784
Live Fed 5-area Steer Price (US$ per cwt)		123.05	122.89	121.22
Feed Grains				
Barley	Lethbridge ($/tonne)	220.00	220.00	161.00
	($ per bu.)	4.79	4.79	3.51
Corn	Iowa State Average (CDN$/tonne)*	154.25	154.51	168.08
	(US$ per bu.)	3.18	3.15	3.25
	Omaha, NE (CDN$/tonne)*	163.47	164.32	176.36
	(US$ per bu.)	3.37	3.35	3.41
Futures				
	March Corn (US$ per bu.)	3.56 ¼	3.52 ½	3.62 ½
	May Corn (US$ per bu.)	3.65	3.60 ¾	3.69 ¾
	February Live Cattle (US$ per cwt)	124.600	121.900	118.325
	April Live Cattle (US$ per cwt)	124.625	122.725	117.325
	Jan. Feeder Cattle (US$ per cwt)*expiry	147.060	147.950	131.710
	March Feeder Cattle (US$ per cwt)	146.725	145.600	127.450

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate.

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